

A U S T I N C I T Y C O U N C I L

# AGENDA



Thursday, November 16, 2006

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## Economic Growth & Redevelopment Services RECOMMENDATION FOR COUNCIL ACTION

**ITEM No 8**

**Subject** Approve a resolution adopting the East 6th Street Public Improvement District (PID) Service Plan and Budget for 2007

**Amount and Source of Funding** The Pecan Street Owners Association (PSOA) submitted a 2007 budget for the PID in the amount of \$132,588. This budget will be funded from a total projected revenue of \$136,588. This amount includes \$41,214 in 2007 assessments (at a 90% collection rate), (\$432) in collections from 2006, \$2,306 interest accrued in the PID Account and late payments, \$50,000 in donations to be raised by the PSOA, and a \$43,500 annual contribution from the City of Austin. Appropriation of the \$101,533 in the Economic Growth and Redevelopment Services Department Special Revenue Fund will require City Council authorization, and possible adjustment, after the assessment roll hearing on November 30, 2006. \$4,000 of the total amount will be retained as a reserve fund to cover revenue adjustments to the assessment roll. (Related to item #9)

**Fiscal Note** There is no unanticipated fiscal impact. A fiscal note is not required.

### Additional Backup Material

(click to open)

- [Service Plan](#)
- [Memo](#)
- [Resolution](#)

**For More Information** Michael Knox, Downtown Officer, 974-6415, David Lloyd, Attorney, 974-2918

**Prior Council Action** Authorized the East Sixth Street PID on 8/26/04. Awarded the management contract to the Pecan Street Owners Association on 12/02/04.

The East Sixth Street Public Improvement District (PID) was created by Council on August 26, 2004. The Resolution outlined that the general nature of the services and improvements to be performed by the District were to include improved public safety, economic development, streetscape improvements, marketing and public relations, historic preservation, and accentuation of the historic character of the area. On December 2, 2004 the City Council authorized negotiation and execution of a management contract for the E Sixth St PID with the Pecan Street Owners Association, an organization representing property owners in the E Sixth St PID.

The E Sixth St PID comprises 112 properties lining E 6th St from I-35 to Congress Avenue. The assessment rate is \$ 10 / \$100 valuation, on the first \$500,000 of value. In 2007, the third year of the PID, this assessment rate is expected to generate \$41,251. To supplement this, the Pecan Streets Owners Association is proposing to raise an additional \$50,000. The City of Austin has also committed to provide \$43,500 per year for the first three years. This is the third year of funding.

FY 2007 Budget City of Austin/Public Order/Safety 15% Communications/Membership 15% Physical Improvements 15% Marketing/PR/Economic Development/Partnerships 25% Historic Preservation/Accentuation 15% Administration 15%

This action will approve the proposed East 6th Street Public Improvement District Service Plan and Budget for 2007, as provided to the City by the Pecan Street Owners Association (PSOA). The proposed 2007 Assessment roll is based on the proposed Service Plan. State law requires Council approval of the Service Plan and Budget.

Total projected revenue is \$136,588 and total PSOA proposed budget is \$132,588. The balance of \$4,000 is a reserve for revenue adjustments to the assessment roll. These estimates are based on the appraisal roll from TCAD as of October 15, 2006. Adjustments to the roll may be required based on new information from TCAD and Council action as a result of the November 30, 2006 public hearing. Approval of the proposed PID budget and the ordinance adopting an assessment rate and proposed assessment roll are the first steps in the annual process of approving PID assessments.

# PECAN STREET OWNERS ASSOCIATION

## 2007 Service Plan

### INTRODUCTION

The Pecan Street Owners Association (PSOA), a 501(c)(6) organization, was officially formed in 2004. PSOA created a vision & mission and action plan. They successfully received petitions calling for a Public Improvement District (PID) from 59% of parcel owners representing 89% of valuation. Realizing the PID will only raise approximately \$36,000 - \$40,000 annually, the PSOA has secured additional funding for a projected total of \$132,558 for FY 2007 to operate the PID.

During the 2007 fiscal year, the Pecan Street Owners Association will continue with its mission to make the National Register Historic District a source of pride to the Austin community by

- Advocating for the preservation and enhancement of the district's unique historic character
- Creating a vibrant mixed use district so that locals and visitors alike will utilize its diverse offerings
- Making Sixth Street an important economic and cultural asset to the community for today and future generations

### SERVICE PLAN

In this document, PSOA's preliminary FY 2007 Service Plan and Budget is outlined. The FY 2006 PID fund budget will total \$132,588 based on estimates of PID monies by the City of Austin. The PID's projected assessment revenues as well as a City of Austin contribution total \$84,714.

PSOA has identified priorities for the 2007 program of work for the District: Appearance and Cleanliness, Physical Improvements, Sustainable Development, Organizational Development, Communications and Marketing, Economic Development, including Business Recruitment, Gateway Enhancement and Tourism Enhancements, Historic Preservation and Accentuation, and Public Safety.

### FY 2007 Preliminary Budget

City of Austin/Public Order/Safety	\$19,884	15%
Communications/Membership	\$19,884	15%
Physical Improvements	\$19,884	15%
Marketing/PR/Economic Development/Partnerships	\$33,140	25%
Historic Preservation/Accentuation	\$19,884	15%
Administration	\$19,884	15%
Total	132,588	100%

## **Program Descriptions**

### *City of Austin/Public Order/Safety - \$19,884 or 15%*

The E Sixth Street PID will continue to work directly with the City to identify and express the issues and barriers facing E Sixth Street. A working plan will be created with ways to solve/mitigate issues. The E Sixth Street PID will also work directly with the DAA, the APD and others to address the issues of public safety, order and evening management of the street.

### *Communications/Membership - \$19,884 or 15%*

Maintain and enhance database and management system of property information. Promote and implement public membership opportunities. Execute effective communications to members, stakeholders and others through newsletters, Web site, email, phone, fax and mail.

### *Physical Improvements - \$19,884 or 15%*

Create a strategy and a plan for physical improvements in the district such as signage, sidewalks, gateways, etc.

### *Marketing/PR/Economic Development/Partnerships - \$33,140 or 25%*

Develop relationship with real estate broker and developer community. Provide educational opportunities and expansion options for existing tenants. Continue to implement the strategies of the Self-Sufficiency Plan. Keep on strategic partnerships with private sector for promotional and funding opportunities.

### *Historic Preservation/Accentuation - \$19,884 or 15%*

Create a strong working group to develop this area from the historic preservation community, tourism, the museum, art groups, etc. Develop and execute programs and marketing efforts about Historic E Sixth Street with strategic partners and sponsors.

### *Administration - \$19,884 or 15%*

Program expenses include overhead charges allocated in proportion to staff time.

## **SUMMARY**

The PSOA E Sixth Street Public Improvement District is a professionally managed area of downtown Austin that continues to face a myriad of challenges in many similar entertainment districts. The area is well branded and with the focused effort proposed in this service plan, E Sixth Street will be on track to realizing the vision of a vibrant mixed-use district that is enjoyed by and a source of pride for the whole community.

# MEMORANDUM

**TO** Michael Knox  
Downtown Officer, City of Austin

**FROM** Josh Allen, Interim Executive Director  
Pecan Street Owners Association

**DATE** 23 October 2006

**SUBJECT** FY 2007 Draft Service Plan and Budget

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Attached is the draft FY 2007 Service Plan and Budget for the Pecan Street Owners Association's third fiscal year

The budget was developed using the projection of the PID revenue for FY 2007 provided by the City of Austin

PID Assessments 90% Collection	\$41,214
City of Austin Contribution	\$43,500
Collected Assessment for 2006 less appropriated amount	(\$432)
Earned Interest and Late Payments	\$ 2,306
Funds Raised by PSOA (memberships, donations, events)	\$50,000
Reserved for Possible Adjustments to Proposed 2005 Roll	<u>(\$4,000)</u>
Total Available	<u>\$132,588</u>

PSOA Board of Directors will consider the preliminary budget proposal at their next meeting on 6 November 2006

The Draft Service Plan and Budget is presented as broad categories rather than specific individual programs. The program budget will be developed December 2006

If you have any questions please contact me at 203 7280

**RESOLUTION NO.**

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

The East Sixth Street Public Improvement District Service Plan and Budget for 2007-2008, attached as Exhibit "A", are hereby approved

**ADOPTED:** \_\_\_\_\_, 2006

**ATTEST:** \_\_\_\_\_

Shirley A Gentry  
City Clerk